

*Entered Decembar 7, 1958
O.P.*

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE NO. 1556
Order No. R-1296

APPLICATION OF CHACO OIL COMPANY
FOR AN EXCEPTION TO RULE 104 OF
THE COMMISSION RULES AND REGULATIONS
TO PERMIT THE DRILLING OF FOUR
ADDITIONAL OIL WELLS ON TWO EXISTING
40-ACRE UNITS IN THE RED MOUNTAIN-
MESAVERDE OIL POOL, MCKINLEY COUNTY,
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on November 19, 1958, at Santa Fe, New Mexico, before Elvis A. Utz, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 26th day of November, 1958, the Commission, a quorum being present, having considered the application, the evidence adduced and the recommendations of the Examiner, Elvis A. Utz, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Chaco Oil Company, is the owner of two 40-acre units in the Red Mountain-Mesaverde Oil Pool consisting of the SW/4 SE/4, Section 20 and the NW/4 NE/4, Section 29, both in Township 20 North, Range 9 West, NMPM, McKinley County, New Mexico, with four producing oil wells on said units.

(3) That applicant seeks permission to drill four additional wells on said 40-acre units with no increase in allowables with the proposed locations as follows:

Well No. 20-9, located 110 feet from the South line
and 1910 feet from the East line of Section 20

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Well No. 29-18, located 100 feet from the North line and 1380 feet from the East line of Section 29

Well No. 29-19, located 100 feet from the North line and 1800 feet from the East line of Section 29

Well No. 29-20, located 300 feet from the North line and 1800 feet from the East line of Section 29

all in Township 20 North, Range 9 West, NMPM, McKinley County, New Mexico.

(4) That the preponderance of the evidence indicates that the drilling of the proposed wells within the two 40-acre units now producing will result in greater ultimate recovery of oil from said Red Mountain-Mesaverde Oil Pool.

(5) That the subject application should be approved.

IT IS THEREFORE ORDERED:

That the application of Chaco Oil Company for permission to drill the four following-described wells on the two presently existing 40-acre units in the Red Mountain-Mesaverde Oil Pool be and the same is hereby approved:

Well No. 20-9, located 110 feet from the South line and 1910 feet from the East line of Section 20

Well No. 29-18, located 100 feet from the North line and 1380 feet from the East line of Section 29

Well No. 29-19, located 100 feet from the North line and 1800 feet from the East line of Section 29

Well No. 29-20, located 300 feet from the North line and 1800 feet from the East line of Section 29

all in Township 20 North, Range 9 West, NMPM, McKinley County, New Mexico.

DONE at Santa Fe, New Mexico, on the day and year herein-above designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION



Edwin L. Mechem, Chairman



Murray E. Morgan, Member



A. L. Porter, Jr., Member & Secretary

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